

# IDEA Fiscal Listserv – April 13, 2010

## Changes to the IDEA Budget Software Claims System

This past winter, IDEA budget and business office contacts provided us with improvement suggestions to the IDEA budget software. There were many great suggestions, and we have incorporated those into software upgrades where we could. The following are the updates that were made to the IDEA claim software:

1. A view only “previously disbursed” column is now available (this column doesn’t show up on the printed claim form).
2. Claim lines can now be sorted by function or by object.
3. A pre-populated “Amount Claimed to Date” field has been added, along with the field that requests your own response to the amount of funds you have received from DPI to date.
4. An aligned process is now in place in which budget line amendments cannot be made to claimed funds until the claim has been updated to demonstrate that the funds have been expended elsewhere.

Several webinar tutorials have been scheduled for this spring to go over updates that have been made to the budget and claim software. You can sign up for any of these trainings at <http://dpi.wi.gov/sped/lpp-budgets-wufar-costs-webinar.html>

## Construction or remodeling funded with IDEA ARRA grants: BUY AMERICAN provision

The Buy American provision of ARRA (Section 1605) prohibits the use of ARRA funds for the construction, alteration, maintenance, or repair of a public building or public work unless all iron, steel, and manufactured goods used in the project are produced in the United States.

Ensuring projects comply with the Buy American provision and maintaining evidence of compliance is the responsibility of the LEA. LEAs should review procurement policies for compliance with the Buy American requirements and ensure solicitations for bids and contracts contain a Buy American provision.

“Buy American” tests have been added to the A-133 Single Audit supplement. Auditors will be verifying that LEAs that used ARRA funds for construction or remodeling complied with the Buy American provision of ARRA. Noncompliance with the Buy American requirements may result in:

- The removal and replacement of the unauthorized foreign iron, steel, and/or manufactured goods;
- A reduction in the amount of the award by the cost of the steel, iron, or manufactured goods used in the project;
- Withholding cash payments pending correction;
- Suspending or terminating the award;
- Withholding further awards for the project;
- Suspension and debarment; or
- In the case of fraud, referral for criminal investigation

## **Medicaid Reimbursement and IDEA Maintenance of Effort**

Many districts recently received a Medicaid payment as a result of adjustments from the 2006-07 review. This payment consisted of moneys for MAC as well as school-based services. School-based services money should be accounted for in fund 27, source 780. MAC money is based on staff who may have been accounted for in fund 10 as well as fund 27. If you are able to breakdown the payment, account for the appropriate share in fund 10, source 780 and fund 27, source 780. If you are not able to breakdown the payment, account for the entire MAC amount in fund 27, source 780.

Please be aware of the impact of this payment on your IDEA Maintenance of Effort calculation. Revenue will impact your local / state expenditures for the year, which is the basis for the LEA's maintenance of effort responsibility. The scenario calculator within the Maintenance of Effort report will allow you to calculate the impact.

## **Upcoming Trainings**

*Time and Effort Reporting Requirements for Federal Grant Programs - Webinar:* [05/12/10  
\(http://dpi.wi.gov/sped/lpp-time-effort-webinar-4-8-10.html\)](http://dpi.wi.gov/sped/lpp-time-effort-webinar-4-8-10.html)

This previously scheduled webinar has been moved to May 12, 2010, because questions asked during the first webinar are still waiting for answers. Hopefully by this date, I will have additional guidance for everyone. In the meantime, this document does provide guidance on time and effort requirements: <http://dpi.wi.gov/sped/pdf/time-effort-TA.pdf>

*Equitable Services - IDEA Grant Set-Aside Requirement - Webinar:* [4/27/10 - 5/27/10  
\(http://dpi.wi.gov/sped/lpp-equitable-services-webinar.html\)](http://dpi.wi.gov/sped/lpp-equitable-services-webinar.html)

The equitable services requirement – that LEAs set aside a certain portion of their IDEA grants and expend it on parentally placed private school children – will be a focus of the Special Education team's fiscal monitoring process. Please sign up for these webinars to determine whether or not your LEA is in compliance with this requirement.

## **Tips & Reminders – Open Enrollment Costs charged to IDEA**

Although open enrollment costs of a student with disabilities is coded in fund 27, school districts are only allowed to charge the special education costs of a student attending a non-resident school district to IDEA flow-through or preschool. When a student with disabilities is part of open enrollment, the nonresident school district submits a bill directly to the resident school district for the flat general education tuition rate plus the cost of special education and related services. The amount to be billed is equal to the transfer amount for regular education (\$6,443 for FY10) plus any actual, additional, special education costs to educate the student.

"Actual, additional special education costs" are actual costs incurred by the school district that are specific to the student and would not be incurred if the student was not attending the nonresident school district. It does not include averaged or prorated costs the school district is already paying. [Doe v. Burmaster, U.S. District Court Eastern District 03-CV-892]

In keeping with the federal regulations that IDEA funding may only be used to pay for the excess cost of special education, districts may only charge the "actual, additional special education costs" that are incurred by the student to IDEA flow-through or preschool entitlement grants.

To assist school districts in determining the actual, additional special education costs of an open-enrolled student, DPI's School Finance Services team has developed a worksheet that disaggregates the tuition costs. This worksheet can be downloaded from:

<http://dpi.wi.gov/forms/xls/f2092.xls>.